



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - Public distribution

Date: 4/8/2008

GAIN Report Number: TH8055

Thailand

Grain and Feed

Weekly Rice Price Update

2008

Approved by:

Gary Meyer, Agricultural Counselor
U.S. Embassy

Prepared by:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

Domestic and export prices increased by around 20 percent as exportable supplies remain tight. This week the government decided not to release intervention stocks into the domestic market, and is expected to wait until the second-crop harvest is nearly complete by June or July.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Apr. 8):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,150	-	-	-	-	-	1,010	1,080	1010
WR 100 B	910	-	-	-	-	-	800	855	755
PB 5%	-	-	-	-	-	-	-	-	-
WR 5%	880	-	-	-	-	-	790	835	723
WR 10%	-	-	-	-	-	-	-	-	-
WR 15%	-	-	-	-	-	-	-	-	-
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	720	-	-	-	-	-	680	700	630
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 31.0 baht/U.S.\$									

Market Tone

Domestic and export prices increased by around 20 percent as exportable supplies remain tight. Exporters are fulfilling outstanding contracts before the long Songkran holiday next week, which lasts until Wednesday, April 16. Large exporters reportedly have adequate rice supplies to cover their outstanding contracts through June. However, the contracts for delivery after June will likely be limited, as exporters have been reluctant to commit to new deals, particularly for large-volume sales as exporters are attempting to avoid possible domestic price fluctuations in the second and third quarter. Exporters in short positions are still renegotiating with buyers for later delivery dates. These delayed deliveries and overall exporter reluctance for new sales should keep export prices high through June.

Meanwhile, domestic prices strengthened due to speculative demand and reports that some consumers have begun stockpiling limited amounts of rice to protect against rising prices. This week the government decided not to release intervention stocks into the domestic market, and is expected to wait until the second-crop harvest is nearly complete by June or July. However, the government may release stocks if domestic prices increase significantly from current prices.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
FEB 17	188,870	183,380	1,154	540	113.8
FEB 24	170,634	183,757	1,324	631	109.8
MAR 2	175,469	176,833	1,500	703	113.2
MAR 9	190,883	181,464	1,691	799	111.7
MAR 16	193,216	182,550	1,884	914	106.2
MAR 23	204,056	190,906	2,088	1,014	105.8
MAR 30	238,638	206,698	2,326	1,122	107.4
APR 6	175,536	202,861	2,502	1,234	102.7

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Mar. 31 – Apr. 6, 2008 totaled 175,536 tons, down 63,102 tons from the previous week, and down 27,326 tons from the four-week moving average of 202,861 tons. Exports during Jan. 1 – Apr. 6, 2008 totaled 2,501,976 tons, as compared with 1,234,165 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Mar. 31, 2008, amounted to 3,254,946 tons, up 66.7 percent from 1,952,388 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Mar. 17-21, Mar. 24-28, and Mar. 31 – Apr. 4, 2008 are as follows:

Movement (MT)	Mar. 17-21	Mar. 24-28	Mar. 31 – Apr. 4
Weekly sales	131,607	161,807	188,955
4 week sum	845,305	809,466	789,314
4 week mov. avg.	211,326	202,367	197,329
Total weekly sales	2,287,126	2,448,933	2,637,888

End of Report.